

Position of the External Committee on the “Bi-Annual Report 2019-2020: Performance of SECO’s Economic Cooperation and Development” and the corresponding SECO/WE Management Response

1. The External Committee discussed at its meeting of the 25 of May the Bi-Annual Report 2019-2020: Performance of the SECO’s Economic Cooperation and Development” and the corresponding Seco/We Management Response. A special focus of the presentation and discussion was the specific circumstances due to Covid-19 and the corresponding challenges.
2. In general, the Committee congratulates on the report, which it characterizes as comprehensive, insightful, well balanced and of high quality. It also welcomes the recommendations and agrees in general with the management response.
3. A special focus of the discussion was the overall performance rating. The Committee considers that a rating as high as 94% affects the credibility and persuasive power of SECO WE (the Division). In fact, development cooperation is interlinked with a certain degree of risk taking and therefore should not aim for 100% successes. The Committee takes into account that the high performance rating is also due to certain inaccuracies, such as rounding effects, and welcomes the more nuanced picture given by internal project reviews. The Committee stresses the importance of learnings from underperforming projects for the institution as such.
4. Focussing on the methodology, the Committee considers the harmonisation with SDC very valuable. It is an important step forward, which will help to refocus (parliamentarian) debates on the substance of development cooperation. The Committee also looks favourably on the revised methodology, based on a numerical average of the DAC ratings, which will bring more transparency and provide more realistic results (the Committee notes that for instance for the 2019-2020 period the methodological change would correspond to a ten-percentage points lower performance rating). The Committee also mentioned the risk of a possible bias of the new methodology, if projects perform well in relevance and coherence, but underperform regarding their implementation (effectiveness, sustainability) and recommends particular attention to this issue.
5. The Committee emphasises that eventually the criteria impact and sustainability matter most. It welcomes the Division’s willingness to give more attention to them, be it through the revised methodology or additional ex-post activities. The committee also identifies a challenge to ensure the required data to properly assess these two criteria.

6. The Committee assesses that due to the Covid-19 situation necessary virtual and per distance evaluations have shown satisfactory quality. However, the risks that the quality would decline on the long term is rather high. In general, most projects seemed to perform well despite the Covid Crisis. However, they needed more attention, adjustments, and flexibility.
7. In conclusion, the Committee recommends the disclosure of the Bi-Annual Report 2019-2020: Performance of SECO's Economic Cooperation and Development" as well as the corresponding SECO/WE Management Response and the present Position of the Committee on the Seco Internet website.

The Committee members:

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